Disinvestment of Maruti Udyog Limited

3074. DR. AKHILESH DAS: Will the Minister of DISINVESTMENT be pleased to state :

(a) whether response to the first offer-IPO of Maruti Udyog Limited was over-whelming;

(b) if so, the details of the terms of offer, the circumstances and reasons leading to the decision for offer and the extent to which the issue was over-subscribed and how far it was offered to general public investors and to institutional investors; and

(c) how far this has led to disinvestments in respect of other profit making public sector undertakings and enterprises?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE):(a) Yes, Sir.

(b) The 'Offer for Sale' by Government of approximately 27.5% (including the 10 % permitted over subscription) of the equity holding in Maruti Udyog Ltd., was a domestic offering with participation of Indian and global investors as permitted by law, through the book building process. The IPO was undertaken according to the terms of the Revised Joint Venture Agreement entered into by Government with Suzuki Motor Corporation, which *inter alia* incorporates the roadmap of disinvestment by Government of India of its shares in Maruti Udyog Ltd. The issue was over-subscribed by more than 10 times. The 'offer for Sale' was made to both institutional and non-institutional investors as per SEBI guidelines. 60% of the total number of shares sold was allotted to non-institutional investors. Out of the 60%, 45% of the MUL stake was allotted to retail investors who have bid for less than 1,000 shares.

(c) Government has been taking up the disinvestment of Public Sector Undertakings over the past several years in accordance with a well-defined policy. The MUL IPO has demonstrated that IPO in a company with a strong strategic Partner receives a good response.

Shift in Foreign Policy towards 'Rainbow Cooperation'

3075. SHRI PREM CHAND GUPTA: Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether it is a fact that the focus of Indian Foreign Policy would shift to Latin America and South Africa where a trilateral cooperation named the 'Rainbow Cooperation' is to be established; and

(b) if so, the details of this new trilateral cooperation?